BUSINESS PROCESS REENGINEERING - ACTIVE LIST

No.	Initiative/ Topic	Goal/Objective	Core Function	Present Status	Previous Status	Est Comp Date	IT Impact	Results	Priority
1	**Improvement of Case Closure and Reconcilia-tion**	Satisfy FMS customers and increase efficiencies by continually improving reconciliation and closure methodologies, and by promptly closing cases	Case Closure	-- Develop FMS case reconciliation and closure policy handbook. -- Final draft of new manual (5105.65M), electronic and hands-on versions in final coordination as of Jun 04. Appendices to follow during summer 04. -- Next closure and reconciliation conference scheduled for 1-3 Dec 04. **Also tracked on Transformation Task Force agenda as of May 04.**	-- Briefed as deliverable at Sep 01 Security Cooperation Conference. -- Completed case review and reconciliation matrix. -- Briefed several non-ACCP participating countries -- Enlisted all IAs into closure process. -- Promoted tools and policies available to expedite closure. -- Completed ACCP supply completed case closure reviews. -- Concluded briefings to non-ACCP customers (Austria, Canada and The Netherlands already converted to ACCP). -- Close ACCP supply complete cases >2 yrs -- Completed CEMIS requirements documentation effort.	On-Going	Med	-- Conducted closure/ reconciliation conference (18-21 Nov 02). Backlog reduced by 35% in CY 02. -- Standardized criteria for case reviews and reconciliation. -- Improved policies as contained in DoD FMR and SAMM. -- FPG concerns fully addressed. -- The current backlog of open ACCP cases over two years supply complete is now below 450. At the end of 2004, the number should be between 350-400 (target threshold established with Director, DSCA). -- UK and Germany signed up,	**High**

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2	**FMS Surcharges**	Determine appropriate FMS surcharges to include rate(s) validation, scope, process involved with each, and resulting policy improvements.	Case Develop-ment and Case Execution	-- Currently reviewing all cost clearing accounts that are funded via various surcharges. Study completion by Jun 04. -- Addressing the use and current need for each surcharge, and the adequacy of the balance levels to fund requirements. -- Will follow by addressing the surcharge amount for each required account. -- Anticipate finishing transportation portion by end of 4th quarter 04.	-- Due to recent GAO report (Foreign Military Sales – Actions Needed to Provide Better Controls Over Exported Defense Articles), Surcharge Team working with IWG and DSCA CAT. -- LSC/Admin issues will be dealt with last.	Sep 04	TBD	-- Late Apr/early May 02: Completed CAS improvements; policy package issued June 02. -- Addressed: PC&H and transportation: standardization and streamlining, e.g., transportation codes; revamping definitions to be in a common understandable language; revising rate structure.	**High**

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3	**Security Cooperation Information Portal (SCIP)**	Bridge the gap between legacy systems and the new Case Execution Management Information System (CEMIS)	Case Execution	-- Continuing to improve and enhance. -- Requests for SDR-A and Freight Tracking have been received by DSCA and will be vetted through the CCB process. -- Additional requests received for: 1. DIFS Collection information (via DSAMS); 2. Ad hoc query improvements; and 3. DSAMS value tables.	-- Determine requirements, ongoing system changes, etc. -- Gather data from case execution legacy systems and DSAMS	On-going	High	-- SCIP went "live" on 7 Aug 03. -- Payment Schedule data completed. More than 1,000 customer accounts as of 23 Mar 04. -- End Use Monitoring application approved Sep 03; programming underway; and implementation is anticipated by Oct 04. -- 472 tokens distributed to 55 countries as of Jun 04.	**High**

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4	**Refine Cooperative Logistics Supply Support Arrangement (CLSSA)**	Refine, improve and streamline the CLSSA process	Case Execution	-- Analysis indicated cost implications of inventory demands incurred from a foreign customer's forecasted demands and determine the deposit required. -- Standardization is lacking. We are taking deliberate time in the interest of transparency to do it right. -- Customers do not want major changes. -- Final stages of process improvement. -- Received guidance from WHS/Directives Section (i.e., DoDD 2000.8) -- Issuance of a "super" logistics directive by DoD required; and a policy package needs to be published. **Also tracked on Transformation Task Force agenda as of May 04.**	-- Follow-on meetings to reform the budgetary /obligational authority process, the cash flow process, addressing placeholders (such as how to treat funds already invested by purchasers), and a marketing/education campaign to promote the advantages of the "reformed" CLSSA. -- Tm identified 20 reqts for CEMIS. Progress towards standardizing individual CLSSA program elements (e.g., use of initial support listing, renegotiation processes). Team continues to work on identifying future MILDEP-DLA interactions and relationships with the FMS customer. In an effort to streamline mgt of this program, team is moving ahead with a CLSSA structure that consolidates future FMSO I and II LOAs into a single LOA.	Jun 04	TBD	-- Air Force CLSSA demo conducted 25-26 Sep 02. -- All requirements for CEMIS have been documented. -- Information received from data calls helped team to form a consensus in standardizing myriad business processes, e.g., renegotiations of financial accountability. -- Collectively, these improvements will represent a significant enhancement to the current CLSSA program. -- The DSCA directive and instruction were finalized in Jun 04.	High

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5	**Qualitative and Quantitative Analysis of FMS Business Activity**	Use data/ analysis to provide recommenda-tions for improving or eliminating business processes and/or making resource allocations.	Case Execution	-- Compt and P3 meeting and analyzing data. -- Achievements to be advertised through BPR and Transformation initiatives. -- Initial focus on team is number and type of LOA documents, and initial findings on research conducted as regards admin allocated and generated. **Also tracked on Transformation Task Force agenda as of May 04, as "FMS Manpower Sources".**	-- The Director told Compt. and P3 director to form an analysis-working group to look at how our work processes can be improved. -- He said this will impact directly on BPR. -- Archived list #13 (Identify one step that will produce value added if it is eliminated or stopped: Non-programmed FMS) is relevant. -- Meeting held with Bearing Point contractor to capitalize on captured data.	On-going		-- Qualitative analysis has been formalized into the Programming process. -- On-going regular briefings to Lt Gen Walters.	**High**

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6	**BIC IT 07 International Electronic Information Policy**	Determine the best method of sharing information between US Gov't offices and foreign gov't organizations for the purpose of conducting FMS, military equipment loans, and cooperative programs for the development and production of military equipment.	Other Security Coopera-tion	-- OASD NII-drafted implementing memorandum is in staffing with USD (AT&L) and USD (P) as of mid-Jun 04.	-- Business Initiatives Executive Steering Committee updated in June 03. -- Moving forward on producing a Policy Memorandum to help change the "culture" of DoD audience. -- Planning for meeting with DASD CI&Security to work synergistically with her and de-conflict CUI as we proceed further. -- BIC ED briefed in Dec 03 and Jun 04. -- There is some slippage in schedule. -- Process Champion (Mr. Millies) sent letter to ASD NII in late Feb requesting that NII publish a Policy-Type Memorandum. -- Follow-up memo to NII sent Apr 04.	Jul 04	High	As of the end of March 2004: -- 55 countries have registered for SCIP. -- 472 tokens distributed. -- BIC ED agreed in Jun 04 to "archive" the initiative as complete once they receive a copy of the signed NII memorandum.	**High**

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7	**FMS Point-to-Point Material Tracking**	Track shipping transactions from both organic and contractor-operated depots. Must examine implications in freight forwarder community and government export controls.	Case Execution	--Current commerce/customs project (ITDS) underway that may impact this req. -- Studying adding link to EFTS/AMS in SCIP; DoD mandating Unique Identification Policy for all DoD contracts. Radio Frequency Identifier (RFID) tags will also be used in the future. Still more work to be done. -- Work within the Interagency Working Group to pin down export documentation requirements; will influence the outcome.	--Explore the use of smart technologies for end-to-end control of these transactions. -- PackageTrack briefing conducted 25 Jul and 29 Jul 02. Portal Phase IV (Mar 03) may incorporate capability. CEMIS will incorporate capability, after late CY2002 discussions with MILDEP SMEs. -- GAO Report, Jun 03, critical of situation. -- We are still looking at all options to accomplish this function. -- GAO Report has caused this issue to rise from medium to high priority.	TBD	High	-- SCIP PMO submitted proposal to the DSCA Configuration Control Board (CCB) for EFTS/ AMS to be in SCIP.	**High**

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8	**FMS Prime Vendor**	Provide the basis of a new logistics pipeline for DLA's FMS customers. Israel is test bed.	Case Execution	-- It is believed that there are no showstoppers. -- DSCA staff will ask Director, DSCA to give "gold seal" of approval to concept so DSCA can help market. --SAMM Change to be prepared. -- DLA drafting proposed language for both.	-- Director, DSCA granted $100K to DLA to fully fund 5-month development and testing effort. -- Funding will allow two contractor personnel to monitor and validate. -- DLA will submit monthly reports on progress of effort. -- Enhances ILCO flexibility. -- Presentations to DSCA and MILDEPs occurred in Feb-Mar 04. -- Concept supported in principle; however there are legal issues that need to be resolved. -- DSCA GC waiting on feedback from DLA legal adviser.	On-going		-- Likelihood of success estimated at >80%. -- DLA will budget out-year support of effort. -- MILDEPs briefed in Mar 04, with favorable response and willingness to support. -- Legal concerns resolved. -- Final brief to DSCA held 17 Jun 04.	**Med**

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9	**Navy FMS Dual Track**	-- This initiative creates a "Dual Track" case that provides international customers access to the DoD supply system and the option of using a Commercial Buying Service (CBS) via a single FMS case -- 80 percent of the case value will be allocated to FMS purchases and the remaining 20 percent will be allocated to CBS purchases. – FMS Dual Track is not intended to replace existing supplemental buying service procedures but to create additional customer options.	Case Development and Case Execu-tion	-- NAVICP testing FMS Dual Track "connections" on the means to vector the DCS portion to the CBS and solidifying the metrics we will use to evaluate the results at the end of the test period. -- Australia has showed renewed interest in being involved in the test. -- More test data required.	--All requisitions submitted to Navy ICP, data entry made and USN searches stock for immediate fill (gives ICP visibility of customer needs) --Non-fill items are sent to commercial buying service designated by the foreign (CBS) customer (use commercial buying service that customer is comfortable with) --Items shipped by CBS under FMS case (do not require export license) --CBS submits invoice against standard Letter of Credit (does not have to deal with USN billing procedures) -- This is a "Best Practice" submitted by Navy to Reinvention IPT #4. -- Test was authorized to proceed with an 80% FMS/20% CBS split. Navy directed in January of 02 to amend/restate the two existing cases (with Netherlands and Norway). -- Test period was scheduled to last one year after case implementation.	On-going		-- FMS Dual Track will provide interested customers a single portal to DoD inventories and electronic commerce. Additional anticipated benefits include a reduction in backorders, improved FMS logistics response time, and new options for tailored FMS customer support. -- In response to DSCA Policy Memo 02-04, 18 Jan 02, Navy briefed DSCA in late Apr 04. -- Agreement reached to continue testing, once data is received.	**Med**

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10	**Military Articles and Services List (MASL) Improvement**	Improve, streamline and educate the FMS community on the MASL	Case Execution	-- Discussions are on -going. -- Three phased approach: 1. MASL Process 2. MASL Review (to include cradle-to-grave scrub) 3. MASL Awareness (to include materials) -- MASL Review Phase will involve significant interaction with the MILDEPs. **Also tracked on Transformation Task Force agenda as of May 04.**	-- We need to focus on what the real reporting requirements are.	Dec 04	Low	-- Project Team Meetings commenced in Sep 01. -- Kickoff and organizational meeting held 29 Apr 04.	**Low**

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11	**DoD EMALL – Direct Delivery to FMS Customers and Use of Debit Cards**	Our international partners wish to order items from the DoD EMALL that will be directly shipped and paid for via debit card.	Case Develop-ment and Case Execu-tion	-- Implications for better customer support & increased DLA business are considerable. FMS customers have used commercial buying services (CBS) for the last few years to accommodate requirements (one CBS customer had a 1.2 B contract over five years for this purpose). -- DLA and NAVICP met with EMALL program managers to discuss way ahead using FMS cases for ordering purposes. DoD EMALL transactions would be passed to the ILCO legacy systems in a standard requisition format - treated as any other requisition in the case. -- Payments to be made by MILSTRIP (vice Debit Cards) -- On track for July 04 implementation. -- DSCA has requested a demo. DLIS indicates they can accommodate in late summer.	-- Use of DoD EMALL by coalition partners has generated considerable interest from OSD and DSCA over the last few years, but conditions were not favorable for use by FMS customers until recently. -- NAVICP-OF indicated that there is potential to fill about 25% of current FMS backorders, or about 33% when CLSSA is eliminated. -- Latest concept: individual shoppers can develop an order from DoD EMALL, and send the order in the form of a virtual shopping cart to the next level of review. Once the customer completes final validation, the shopping cart will then be sent to the ILCO for final authorization/ order placement. The order will be generated using a MILSTRIP requisition regardless of whether or not the items are part numbered or stock numbered.			-- FMS pilot approved as part of DoD EMALL by DLA to finalize the requirements.	**Low**

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12	**SDR write-off threshold.**	Develop criteria for which the US can write-off an SDR (i.e., provide the purchaser their claim up to a set amount without going through the SDR adjudication process) with guidelines that entail *some* research by the MILDEP not an automatic write-off policy.	Case Execution and Case Closure	-- The thought behind this initiative is that if the value of the SDR is less than it costs the USG to adjudicate, we should just pay the claim. -- Policy Memo being staffed that reinforces policy of not processing SDRs <$200K. -- Researching validity of establishing SDR write-off threshold. -- Refining data to determine bottlenecks. -- USAF SDR-A SCIP CCB request at DSCA for staffing. -- DSCA, P2, attending SDR Business Initiatives Council (BIC) meetings. **Linked, in part, to Transformation Task Force on "Supply Discrepancy Reports Improvements".**	-- On-going. This initiative can be resolved via internal security cooperation policy change. -- A study is required to access how much SDR adjudication costs the US, and any other ramifications (e.g., if this becomes policy, would all SDRs come in at the set amount that would automatically be paid. -- MILDEPs support increase, but still need to show Return on Investment value.	On-going		-- Met with MILDEPS 13 Jan 04. SDRs being erroneously accepted and processed <$200 versus rejected (per SAMM).	**Low**

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13	**Life-Cycle Sustainment Support**	Improve FMS follow-on support and allow MILDEPs and DLA to provide support based on best practices.	Case Execution	-- Tied in with Manage FMS Reserve on Archived List. -- Also, it has ties to CLSSA (#4), FMS Prime Vendor (#8), Dual Track (#9), and DoD EMALL (#11) on the Active List, and ILCO Flexibility on the Archived List. -- Navy developing a game plan.	-- 65% of program fully implemented with secondary items. Presently, the Arms Export Control Act (AECA) prohibits buying in anticipation of demand. Need legislation change in order to accommodate appropriation-funded items. -- Navy pilot FMS "Dual Track"; FMS Reserve concept; and MILDEP Commercial Buying Services.				**Low**